

Tangipahoa Parish Sheriff

FINANCIAL REPORT

June 30, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/6/10

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INDEPENDENT AUDITORS' REPORT

Honorable Daniel Edwards
Tangipahoa Parish Sheriff
Amite, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the fiduciary funds of the Tangipahoa Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2009, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Tangipahoa Parish Sheriff's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and fiduciary funds of the Tangipahoa Parish Sheriff as of June 30, 2009, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 19, 2009 on our consideration of Tangipahoa Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 9, and 28, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The accompanying schedule of expenditures of federal awards on page 34 is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



November 19, 2009

TANGIPAHOA PARISH SHERIFF

MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2009

This section of Tangipahoa Parish Sheriff's annual financial report presents our discussion and analysis of the Sheriff's financial performance during the fiscal year that ended on June 30, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

FINANCIAL HIGHLIGHTS

- The Sheriff's total net assets increased approximately \$1.2 million over the course of this year's operations.
- During the year, the Sheriff's expenses were \$1.2 million less than the \$18.7 million generated in ad valorem taxes, charges for services, and operating grants for governmental programs.
- Expenses for the year were \$17.5 million, an increase of approximately \$857,000.
- The general fund reported an increase in fund balance this year of approximately \$1,285,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—management's discussion and analysis (this section), the financial statements, and required supplementary information, and other supplemental information. The financial statements include two kinds of statements that present different views of the Sheriff:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Sheriff's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Sheriff's government, reporting the Sheriff's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.
 - Fiduciary fund statements provide information about the financial relationships in which the Sheriff acts solely as agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Sheriff's financial statements, including the portion of the Sheriff's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

TANGIPAHOA PARISH SHERIFF

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

	Government-wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire Sheriff government (except fiduciary funds)	The activities of the Sheriff that are not proprietary or fiduciary, such as public safety	Instances in which the Sheriff is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none">• Statement of net assets• Statement of activities	<ul style="list-style-type: none">• Balance Sheet• Statement of revenues, expenditures, and changes in fund balances	<ul style="list-style-type: none">• Statements of fiduciary net assets• Statements of changes in fiduciary net assets
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term; the Sheriff's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid.

TANGIPAHOA PARISH SHERIFF

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

Government-wide Statements

The government-wide statements report information about the Sheriff as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Sheriff's net assets and how they have changed. Net assets—the difference between the Sheriff's assets and liabilities—is one way to measure the Sheriff's financial health, or position.

- Over time, increases or decreases in the Sheriff's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Sheriff you need to consider additional non-financial factors such as changes in the Sheriff's property tax base and growth of Tangipahoa Parish.

The government-wide financial statements of the Sheriff include:

- Governmental activities—most of the Sheriff's basic services are included here, such as police and general administration. Ad valorem taxes, state and federal grants, and fees, charges, and commissions for services finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the Sheriff's most significant funds—not the Sheriff as a whole. Funds are accounting devices that the Sheriff uses to keep track of specific sources of funding and spending for particular purposes.

TANGIPAHOA PARISH SHERIFF

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

The Sheriff has two kinds of funds:

- **Governmental funds**—Most of the Sheriff's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Sheriff's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- **Fiduciary funds**—These funds are used as depositories for civil suits, cash bonds, taxes, fees, deferred compensation plan, et cetera. Disbursements from these funds are made to various parish agencies, and litigants in suits, in the manner prescribed by law. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. We exclude these activities from the Sheriff's government-wide financial statements because the Sheriff cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE SHERIFF AS A WHOLE

Net assets. The Sheriff's net assets increased between fiscal years 2008 and 2009 to approximately \$5.9 million or 25.7%. (See Table A-1.)

Table A-1
Sheriff's Net Assets

	Governmental Activities	
	2009	2008
Current and other assets	\$5,948,034	\$4,413,978
Capital assets	1,305,523	1,144,955
Total assets	7,253,557	5,558,933
Current liabilities	1,386,846	890,338
Total liabilities	1,386,846	890,338
Net assets		
Invested in capital assets, net of related debt	908,065	967,357
Unrestricted	4,958,646	3,701,238
Total net assets	\$5,866,711	\$4,668,595

TANGIPAHOA PARISH SHERIFF

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

Changes in net assets. The Sheriff's total revenues increased 13.1 percent. (See Table A-2.) Approximately 42 percent of the Sheriff's revenue comes from ad valorem tax collections from Tangipahoa Parish. Another 6 percent comes from state and federal programs. An additional 42 percent of the Sheriff's revenue comes from charges for services including prisoner housing and commissions. The remaining 10 percent is comprised of miscellaneous fees and other intergovernmental revenue.

The total cost of all programs and services increased approximately \$857,000. The Sheriff's expenses cover all services performed by its office.

Governmental Activities

Revenues for the Sheriff's governmental activities increased 13.1 percent to \$18.7 million while total expenses increased 5.2 percent to \$17.5 million.

Table A-2
Changes in Sheriff's Net Assets

	Governmental Activities	
	2009	2008
Revenues		
Program revenues		
Charges for services	\$7,803,362	\$ 7,270,530
Federal grants	1,035,026	363,853
State grants	10,243	30,772
General revenues		
Taxes	7,786,628	6,885,524
Miscellaneous	805,669	662,676
Intergovernmental	1,225,019	1,213,985
Interest	39,688	105,317
Total revenues	18,705,635	16,532,657
Expenses		
Public safety	17,487,637	16,639,140
Interest	19,882	11,420
Total expenses	17,507,519	16,650,560
Increase (decrease) in net assets	\$ 1,198,116	\$ (117,903)

TANGIPAHOA PARISH SHERIFF

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

FINANCIAL ANALYSIS OF THE SHERIFF'S FUNDS

As the Sheriff completed the year, its governmental funds reported a fund balance of \$4.9 million, an increase from last year of approximately \$1,257,400. The primary reason for the general fund's profit increase is due to the increase in ad valorem tax revenue and federal grants. The fund balance is considered adequate for the Sheriff's current needs.

General Fund Budgetary Highlights

Over the course of the year, the Sheriff made amendments to the general fund budget. These budget amendments reflect increases in both revenue and expenses from the current budget of approximately \$115,000 and \$310,635; respectively.

CAPITAL ASSETS

At the end of 2009, the Sheriff had invested \$1,305,523 in capital assets. (See Table A-3.)

Table A-3
Sheriff's Capital Assets
(Net of depreciation, where applicable)

	Governmental Activities	
	2009	2008
Land	\$65,343	\$65,343
Buildings	171,495	179,282
DP Equipment	71,165	160,985
LE Equipment	383,670	165,492
Office Equipment	21,407	24,471
Vehicles	592,443	549,382
Total	\$1,305,523	\$1,144,955

This year's major capital assets additions include:

- The purchase of vehicles costing approximately \$572,700.
- Law enforcement equipment includes the purchase of a methamphetamine lab truck costing \$221,751.

TANGIPAHOA PARISH SHERIFF

**MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2009**

CAPITAL ASSETS (continued)

This year's major capital assets deletions include:

- The disposal of nineteen vehicles totaling approximately \$166,900.

The amounts budgeted for capital outlay for the 2008-2009 fiscal year total \$350,000.

LONG-TERM DEBT

At June 30, 2009, the Sheriff had the following long-term debt outstanding at year end.

	Governmental Activities	
	2009	2008
Capital lease obligations	<u>\$397,458</u>	<u>\$177,598</u>
Total	<u>\$397,458</u>	<u>\$177,598</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Sheriff is dependent on ad valorem taxes and prisoner housing reimbursement for 73 percent of its revenues. The economy is not expected to generate significant growth. The Sheriff's 2009 – 2010 budget reflects property tax revenues to increase by 3% to \$7.9 million. The other revenues and expenditures are expected to be consistent with the amounts from the year ended June 30, 2009. Budgetary fund balance is estimated at approximately \$5 million.

CONTACTING THE SHERIFF'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Sheriff's finances and to demonstrate the Sheriff's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Tangipahoa Parish Sheriff's Office, 15475 Club Deluxe Road, Hammond, LA 70403.

Tangipahoa Parish Sheriff
Amite, Louisiana

STATEMENT OF NET ASSETS
June 30, 2009

ASSETS

Cash and cash equivalents	\$ 4,281,574
Accounts receivable	1,028,225
Grant receivable	352,895
Due from other funds	170,895
Due from other governments	22,278
Prepaid expenses	92,167
Capital assets, net	<u>1,305,523</u>
Total assets	<u>7,253,557</u>

LIABILITIES

Accounts payable	\$ 208,825
Accrued salaries and wages	736,458
Accrued liabilities	26,823
Due to other funds	16,211
Due to other governments	1,071
Lease payable	<u>397,458</u>
Total liabilities	<u>1,386,846</u>

NET ASSETS

Invested in capital assets, net of related debt	908,065
Unrestricted	<u>4,958,646</u>
Total net assets	<u>\$ 5,866,711</u>

The accompanying notes are an integral part of this statement.

Tangipahoa Parish Sheriff
Amite, Louisiana

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Public safety	\$ 17,477,603	\$ 7,803,362	\$ 1,045,269	\$ (8,628,972)
Interest	29,916	-	-	(29,916)
Total governmental activities	<u>\$ 17,507,519</u>	<u>\$ 7,803,362</u>	<u>\$ 1,045,269</u>	<u>\$ (8,658,888)</u>

General revenues:

Taxes	
Property taxes	\$ 7,786,628
State revenue sharing	597,154
State supplemental pay	627,865
Investment earnings	39,688
Miscellaneous	668,021
Donations	12,971
Seized assets	124,677
Total general revenues	<u>9,857,004</u>
Change in net assets	1,198,116
Net assets - beginning	<u>4,668,595</u>
Net assets - ending	<u>\$ 5,866,711</u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana
BALANCE SHEET - ALL GOVERNMENTAL FUND TYPES
JUNE 30, 2009

	General Fund	DARE Fund	Tri-Parish Fund	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 4,080,416	\$ 42,510	\$ 158,648	\$ 4,281,574
Accounts receivable	1,028,225	-	-	1,028,225
Grant receivable	352,895	-	-	352,895
Due from other funds	170,895	-	-	170,895
Due from other governments	18,642	-	3,636	22,278
Prepaid expenses	92,167	-	-	92,167
TOTAL ASSETS	5,743,240	42,510	162,284	5,948,034
<u>LIABILITIES</u>				
Accounts payable	\$ 208,825	\$ -	\$ -	\$ 208,825
Accrued salaries and wages	736,458	-	-	736,458
Accrued liabilities	26,823	-	-	26,823
Due to other funds	-	16,211	-	16,211
Due to other governments	1,071	-	-	1,071
TOTAL LIABILITIES	973,177	16,211	-	989,388
<u>FUND BALANCE</u>				
Unreserved	4,770,063	26,299	162,284	4,958,646
TOTAL FUND BALANCE	4,770,063	26,299	162,284	4,958,646
TOTAL LIABILITIES AND FUND BALANCE	\$ 5,743,240	\$ 42,510	\$ 162,284	\$ 5,948,034

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2009

Fund balances - total governmental funds \$ 4,958,646

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not current financial resources and, therefore are not reported in the governmental funds

Capital assets, cost	5,239,204	
Capital assets, accumulated depreciation	<u>(3,933,681)</u>	1,305,523

Long term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds

Capital lease payable	<u>(397,458)</u>
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Net assets of governmental activities	<u><u>\$ 5,866,711</u></u>
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The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH SHERIFF

Amitte, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 2009**

	General Fund	DARE Fund	Tri-Parish Fund	Total
REVENUES				
Taxes - ad valorem	\$ 7,786,628	\$ -	\$ -	\$ 7,786,628
Intergovernmental:				
Federal grants	1,035,026	-	-	1,035,026
State grants	10,243	-	-	10,243
State revenue sharing	597,154	-	-	597,154
State supplemental pay	627,865	-	-	627,865
Fees, charges, & commissions:				
Fines and forfeitures	806,201	-	-	806,201
Civil and court fees	887,361	-	-	887,361
Prisoner housing and reimbursements	5,834,448	-	-	5,834,448
Commissions from tax collector	153,360	-	-	153,360
Pay phone commissions	121,992	-	-	121,992
Interest earned	38,269	296	1,123	39,688
Seized assets	43,072	-	81,605	124,677
Donations	-	12,971	-	12,971
Miscellaneous	631,549	-	-	631,549
Total Revenues	18,573,168	13,267	82,728	18,669,163
EXPENDITURES				
Public safety:				
Salaries	9,209,079	-	-	9,209,079
Payroll taxes	169,670	-	-	169,670
Retirement contributions	973,940	-	-	973,940
Employee benefits	1,519,929	-	-	1,519,929
Office expenditures	592,422	-	2,210	594,632
Insurance	326,046	-	-	326,046
Law enforcement	578,294	-	23,137	601,431
Automobile	1,366,624	-	-	1,366,624
Professional services	286,796	-	-	286,796
Telephone and utilities	271,387	-	-	271,387
Grant expenditures	291,800	-	-	291,800
Miscellaneous	198,667	-	74,672	273,339
Prisoner/jail expenditures	799,632	-	-	799,632
DARE expenditures	15,223	16,460	-	31,683
Capital outlay	914,988	-	7,195	922,183
Debt service:				
Interest	29,916	-	-	29,916
Capital lease expense	251,351	-	-	251,351
Total Expenditures	17,795,764	16,460	107,214	17,919,438
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	777,404	(3,193)	(24,486)	749,725
Other financing sources (uses)				
Operating transfers in	1,470,000	-	-	1,470,000
Operating transfers out	(1,470,000)	-	-	(1,470,000)
Proceeds from capital leases	471,211	-	-	471,211
Sale of capital assets	36,472	-	-	36,472
Total other financing sources	507,683	-	-	507,683
Net change in fund balance	1,285,087	(3,193)	(24,486)	1,257,408
FUND BALANCE AT BEGINNING OF YEAR	3,484,976	29,492	186,770	3,701,238
FUND BALANCE AT END OF YEAR	\$ 4,770,063	\$ 26,299	\$ 162,284	\$ 4,958,646

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2009

Net change in fund balances - total governmental funds \$ 1,257,408

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their *estimated* useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	914,987	
Depreciation expense	<u>(754,419)</u>	160,568

Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds exceeded payments.

Proceeds from capital lease	(471,211)	
Payments on capital lease	<u>251,351</u>	(219,860)

Change in net assets of governmental activities		<u><u>\$ 1,198,116</u></u>
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The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH SHERIFF
AMITE, LOUISIANA

STATEMENT OF FIDUCIARY NET ASSETS- FIDUCIARY FUNDS
June 30, 2009

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 2,040,653
Total Assets	<u>2,040,653</u>
 LIABILITIES	
Due to other funds	\$ 154,684
Due to inmates	369,987
Due to others	<u>1,515,982</u>
Total Liabilities	<u>2,040,653</u>
 NET ASSETS	 <u>\$ -</u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the Sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

BASIS OF PRESENTATION

The accompanying financial statements of the Tangipahoa Parish Sheriff have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

The statement of net assets and the statement of activities display information about the primary government (the Sheriff). These statements include the financial activities of the overall government, except for fiduciary activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

FUND FINANCIAL STATEMENTS:

The fund financial statements provide information about the Sheriff's funds, including its fiduciary funds. Separate statements for each fund category- governmental and fiduciary- are presented. The emphasis of fund financial statements is on major governmental funds.

The Sheriff reports the following major governmental fund:

General Fund

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for the operations of the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions, state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance, and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

Special Revenue Funds-

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes.

Additionally, the Sheriff reports the following fund types:

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category are agency funds. The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, deferred compensation plan, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. REPORTING ENTITY

GASB Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Sheriff is considered a primary government, since it is a special purpose government, the Sheriff is elected, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Sheriff may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Sheriff also has no component units, defined by GASB Statement 14 as other legally separate organizations for which the Sheriff is financially accountable. There are no other primary governments with which the Sheriff has a significant relationship.

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

The Governmental Wide Financial Statements (GWFS) and fiduciary fund statements are reported using the economic resources measurement focus. The government wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non exchange transactions, in which the Sheriff gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Sheriff considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized when the obligations are expected to liquidate with expendable available financial resources. General capital asset acquisitions are reported as expenditures in governmental funds.

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS (continued)

Revenues (continued)

Intergovernmental revenues and fees, charges and commissions for services are recorded when the Sheriff is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures

The Sheriff's primary expenditures include salaries, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are recorded as expenditures at the time of purchase.

All governmental activities of the Sheriff follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

D. BUDGET PRACTICES

The proposed budget for the year ended June 30, 2009, was made available for public inspection and comments from taxpayers at the Sheriff's office during June 2008. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 10 days prior to the public hearing, which was held at the Sheriff's office on June 2008, for comments from taxpayers. The budget is legally adopted and amended, as necessary, by the Sheriff.

All expenditure appropriations lapse at year end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balance.

Formal budget integration (within the accounting records) is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposit accounts and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and other investments with original maturities of 90 days or less. Under state law, the Sheriff may deposit funds in demand deposit accounts, interest-bearing demand deposit accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. CAPITAL ASSETS

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated fixed assets are recorded at their fair value at the date of donation. The Sheriff maintains a threshold level of \$1,000 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	30 years
Building Improvements	20 years
Computer Equipment	3 years
Office Furniture	10 years
Other Machinery and Equipment	5 years
Vehicles	3 years

G. COMPENSATED ABSENCES

Effective July 1, 2004, the Sheriff has the following policy relating to vacation and sick leave:

- a. All full-time employees who have not yet attained his/her fifth anniversary of uninterrupted full time employment with the Sheriff's Office by the end of the preceding fiscal year, shall earn 3.25 hours of each compensated leave for each 14-day pay period of employment.
- b. All full time employees who have attained his/her fifth year anniversary of uninterrupted full time employment with the Sheriff's Office by the end of the preceding fiscal year, shall earn 4.75 hours of each compensated leave for each 14-day pay period of employment.
- c. Employees on leave without pay for more than 50% of pay period, with the exception of approved mandatory military reserve duty, will not earn any compensated leave for that pay period.
- d. Leave time that is converted to sick time shall be limited to 360 hours. Any time in Excess of 360 shall be stricken from the Sheriff's Office leave record.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. COMPENSATED ABSENCES (continued)

An employee will be allowed to carry over 120 hour of annual leave into the next fiscal year. Any annual leave in excess of 120 hours will convert to sick time.

Compensated leave will accrue to the employee bank on a pay period basis.

The Sheriff's leave policy does not provide for the vesting or compensation of leave. Due to this, no liability for accrued leave has been recorded for the fiscal year ended June 30, 2009.

H. FUND EQUITY

In the fund financial statements, governmental funds report reservations for amounts that are not available for appropriation or are legally restricted by outside parties for use of a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

I. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

J. INTERFUND ACTIVITY

Interfund activities between governmental funds and fiduciary funds remain as due to/due from on the government wide financial statements.

2. AD VALOREM TAXES

The Sheriff is the ex-officio tax collector of the Parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1, of each year. Taxes are levied in October and billed to the taxpayers in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Tangipahoa Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's and legislative pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2009, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 17.81 mills on property with assessed valuations totaling \$440,163,077.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

2. AD VALOREM TAXES (continued)

The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes.

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Law Enforcement District (Maintenance)	7.81	7.81	n/a
Law Enforcement District (Operational)	10.00	10.00	2010

3. CASH AND CASH EQUIVALENTS

At June 30, 2009, the sheriff has unrestricted cash and cash equivalents (book balances) as follows:

Governmental funds:	
Petty cash	\$ 2,829
Interest-bearing demand deposits	<u>4,278,745</u>
Total governmental funds	<u>\$ 4,281,574</u>
Fiduciary funds:	
Interest-bearing demand deposits	<u>\$ 2,040,653</u>
Total fiduciary funds	<u>\$ 2,040,653</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

4. CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Sheriff does not have a policy for custodial credit risk. At June 30, 2009, the Sheriff has \$7,181,983 in deposits (collected) bank balance. The deposits were secured from risk by \$250,000 of federal deposit insurance. As of June 30, 2009, the government's bank balance was not exposed to custodial credit risk.

5. LINE OF CREDIT

In September 2008, the Sheriff's office obtained a \$2 million line of credit from a local bank secured by all revenues accruing to the General Fund. The interest rate on the line of credit was equal to 6.50 percent. As of June 30, 2009, the line of credit had a zero balance. The line of credit was renewed on November 2009 for \$2 million.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

6. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2009, are as follows:

	<u>Balance</u> <u>6/30/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/09</u>
Governmental activities:				
Capital assets not depreciated:				
Land and land improvements	\$65,343	\$ -	\$ -	\$65,343
Other capital assets:				
Buildings	209,899	-	-	209,899
Data Processing Equipment	555,397	11,380	-	566,777
Law Enforcement Equipment	604,549	324,743	3,249	926,043
Office Equipment	86,222	6,200	-	92,422
Vehicles	<u>2,972,929</u>	<u>572,664</u>	<u>166,873</u>	<u>3,378,720</u>
	<u>4,494,339</u>	<u>914,987</u>	<u>170,122</u>	<u>5,239,204</u>
Less: Accumulated Depreciation				
Buildings	30,617	7,787	-	38,404
Data Processing Equipment	394,412	101,200	-	495,612
Law Enforcement Equipment	439,057	106,565	3,249	542,373
Office Equipment	61,751	9,264	-	71,015
Vehicles	<u>2,423,547</u>	<u>529,603</u>	<u>166,873</u>	<u>2,786,277</u>
	<u>3,349,384</u>	<u>754,419</u>	<u>170,122</u>	<u>3,933,681</u>
Total governmental activities capital assets, net	<u>\$1,144,955</u>	<u>\$160,568</u>	<u>\$ -</u>	<u>\$1,305,523</u>

For the year ended June 30, 2009, depreciation expense was \$754,419.

7. LONG-TERM DEBT

A. SUMMARY OF CHANGES IN LONG-TERM DEBT

	<u>Balance</u> <u>07/01/08</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>06/30/2009</u>	<u>Due within</u> <u>one year</u>
<i>Governmental Activities</i>					
Capital lease obligations	\$177,598	471,211	251,351	\$397,458	\$397,458
Total	<u>\$177,598</u>	<u>\$471,211</u>	<u>\$251,351</u>	<u>\$397,458</u>	<u>\$397,458</u>

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

8. LEASES

The Sheriff records items under capital leases as assets and obligations in the accompanying financial statements. The Sheriff has one capital lease for vehicles. This lease has an original recorded amount of \$471,211.

The following is a summary of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of June 30, 2008.

Year ending June 30 th	
2010	\$329,984
2011	96,393
Future minimum lease payments	<u>\$426,377</u>
Less: Amount representing interest	<u>28,919</u>
Present value of net minimum lease payments	<u>\$397,458</u>

9. PENSION PLAN

Plan Description. Substantially all employees of the Tangipahoa Parish Sheriff's office are members of the Louisiana Sheriffs Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$800 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of creditable service is 3.33 percent. In any case, the retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

9. PENSION PLAN (continued)

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, P. O. Box 3163, Monroe, Louisiana 71220, or by calling (318)362-3191.

Funding Policy. Plan members are required by state statute to contribute 10.00 percent of their annual covered salary and the Tangipahoa Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 11.00 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Tangipahoa Parish Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Tangipahoa Parish Sheriff's contributions to the System, for the years ending June 30, 2009, 2008, and 2007, were \$944,430, \$905,879, and \$826,011 respectively.

10. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to taxing bodies and others follows:

	Balance at Beginning of year	Additions	Reductions	Balance at End of Year
Agency funds:				
Civil Fund	\$ 296,793	\$ 285,712	\$ 135,161	\$ 447,344
Criminal Bond Fund	401,560	2,328,885	2,245,337	485,108
Tax Collector Trust Fund	430,227	40,136,009	39,993,886	572,350
Work Release Inmate Fund	514,257	21,594	-	535,851
Total	\$ <u>1,642,837</u>	\$ <u>42,772,200</u>	\$ <u>42,374,384</u>	\$ <u>2,040,653</u>

11. TAXES PAID UNDER PROTEST

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2009, include \$40,060 of taxes paid under protest. These funds are held pending resolution of the protest and are accounted for in the Tax Collector agency fund.

TANGIPAHOA PARISH SHERIFF
Amite, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

12. LITIGATION AND CLAIMS

At June 30, 2009, the Sheriff was involved in several lawsuits. In the opinion of the Sheriff's legal counsel, the ultimate resolution of these claims would not create a liability to the Sheriff in excess of existing insurance coverage.

13. EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE PARISH COUNCIL

The Sheriff's office is located in the parish courthouse. Expenditures for maintenance and operation of the parish courthouse, as required by state statute, are paid by the Tangipahoa Parish Council and are not included in the accompanying financial statements.

14. DUE TO/FROM OTHER FUNDS

During the year, the general fund records receivables for its portion of fines, taxes, bonds or fees collected by these funds and due to others for any advances to these funds. Individual balances due to/from other funds at June 30, 2009 are as follows:

	<u>Due To Other Funds</u>	<u>Due From Other Funds</u>
Governmental:		
General Fund	\$ -	\$ 170,895
DARE	<u>16,211</u>	<u>-</u>
Subtotal- Governmental funds	16,211	170,895
Fiduciary Funds:		
Work Release Inmate	86,382	-
Criminal	38,665	-
Tax Collector	13,567	-
Civil	<u>16,070</u>	<u>-</u>
Subtotal- Fiduciary funds	154,684	-
 TOTAL	 <u>\$ 170,895</u>	 <u>\$ 170,895</u>

15. RECEIVABLES

The general fund receivables at June 30, 2009 are as follows:

Class of Receivable

Fees, charges, and commissions	\$208,747
Prisoner housing and reimbursements	704,152
State supplemental pay	100,206
Miscellaneous	<u>15,120</u>
	<u>\$1,028,225</u>

REQUIRED
SUPPLEMENTAL INFORMATION

TANGIPAHOA PARISH SHERIFF**Amite, Louisiana****BUDGETARY COMPARISON SCHEDULE****GENERAL FUND****YEAR ENDED JUNE 30, 2009**

	Original Budget	Final Budget	Actual
<u>REVENUES</u>			
Ad valorem taxes	\$ 7,700,000	\$ 7,700,000	\$ 7,786,628
Intergovernmental revenues:			
Federal grants	195,000	400,000	1,035,026
State grants:			
State revenue sharing (net)	594,000	594,000	597,154
State supplemental pay	600,000	600,000	627,865
Other state and local grants	63,000	150,000	10,243
Fees, charges, and commissions for services:			
Fines and forfeitures	770,000	770,000	806,201
Civil and court fees	759,000	759,000	887,361
Prisoner housing and reimbursements	5,100,000	4,980,000	5,834,448
Contracted Services	684,000	725,000	-
Commissions from tax collector	123,000	100,000	153,360
Miscellaneous commissions	-	120,000	121,992
Use of money and property :			
Interest	85,000	40,000	38,269
Seized assets	25,000	45,000	43,072
Donations	-	-	-
Miscellaneous	380,000	210,000	631,549
Total Revenues	<u>17,078,000</u>	<u>17,193,000</u>	<u>18,573,168</u>
<u>EXPENDITURES</u>			
Public safety:			
Personal services and related benefits	11,999,853	11,803,103	11,872,618
Operating services	4,379,000	4,705,000	4,726,891
Capital outlay	450,000	350,000	914,988
Debt service payments	-	20,000	19,882
Capital lease expense	-	261,385	261,385
Total Expenditures	<u>16,828,853</u>	<u>17,139,488</u>	<u>17,795,764</u>
EXCESS OF REVENUES OVER EXPENDITURES	249,147	53,512	777,404
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating transfers in	-	-	1,470,000
Operating transfers out	-	-	(1,470,000)
Proceeds from capital leases	170,607	471,561	471,211
Sale of capital assets	25,000	36,500	36,472
Total other financing sources	195,607	508,061	507,683
NET CHANGE IN FUND BALANCE	444,754	561,573	1,285,087
FUND BALANCE AT BEGINNING OF YEAR	<u>3,484,976</u>	<u>3,484,976</u>	<u>3,484,976</u>
FUND BALANCE AT END OF YEAR	<u>\$ 3,929,730</u>	<u>\$ 4,046,549</u>	<u>\$ 4,770,063</u>

The accompanying notes are an integral part of this statement.

INDIVIDUAL FINANCIAL STATEMENTS

OF

AGENCY FUNDS

TANGIPAHOA PARISH SHERIFF

Amite, Louisiana

GENERAL DESCRIPTIONS

AGENCY FUNDS

June 30, 2009

CIVIL BOND FUND

The Civil Fund accounts for funds held in civil suits, sheriff's sales, and garnishments and payments of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

CRIMINAL BOND FUND

The Criminal Bond Fund accounts for the collection of bonds, fines, and costs and payment of these collections to the Sheriff's General Fund and others in accordance with applicable laws.

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1974 provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

WORK RELEASE INMATE FUND

The Work Release Inmate Fund accounts for the deposits made by, and for, inmates to their individual accounts and the appropriate disbursements to these inmates for payroll checks and withholdings of inmate expenses.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Honorable Daniel Edwards
Amite, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and fiduciary funds of the Tangipahoa Parish Sheriff's Office as of and for the year ended June 30, 2009, which collectively comprise the Tangipahoa Parish Sheriff's Office basic financial statements and have issued our report thereon dated November 19, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Tangipahoa Parish Sheriff's Office's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tangipahoa Parish Sheriff's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Tangipahoa Parish Sheriff's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Tangipahoa Parish Sheriff's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Tangipahoa Parish Sheriff's financial statements that is more than inconsequential will not be prevented or detected by the Tangipahoa Parish Sheriff's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Tangipahoa Parish Sheriff's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other matters

As a part of obtaining reasonable assurance about whether the Tangipahoa Parish Sheriff's Office financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Tangipahoa Parish Sheriff, management, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

November 19, 2009

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Daniel Edwards
Amite, Louisiana

Compliance

We have audited the compliance of the Tangipahoa Parish Sheriff with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Tangipahoa Parish Sheriff's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Tangipahoa Parish Sheriff's management. Our responsibility is to express an opinion on the Tangipahoa Parish Sheriff's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Tangipahoa Parish Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Tangipahoa Parish Sheriff's compliance with those requirements.

In our opinion the Tangipahoa Parish Sheriff complied, in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the Tangipahoa Parish Sheriff is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Tangipahoa Parish Sheriff's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Tangipahoa Parish Sheriff's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is a more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as public document.

Prothurath & Mettwill

November 19, 2009

TANGIPAHOA PARISH SHERIFF
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
<u>UNITED STATES DEPARTMENT OF JUSTICE</u>			
Direct Program			
Multi-Jurisdictional SMART program	16.750	2008AWBX0007	87,037
Direct Program			
COPS Methamphetamine Initiative	16.710	2007CKWX0300	339,157
Direct Program			
Justice Assistance Program	16.738	2007-DJ-BX-0949	7,540
Direct Program			
2007 COPS Secure our Schools	16.710	2007CKWX0010	64,643
2008 COPS Secure our Schools	16.710	2008CKWX0675	70,768
Passed through Louisiana Commission on Law Enforcement and			
Administration of Criminal Justice			
Multi-Jurisdictional Task Force	16.738	B07-5-014	22,218
Home Detection Program	16.540	J07-5-005	5,541
Law Enforcement Policy Development	16.588	M08-5-007	7,402
Victim Assistance Program	16.575	C07-5-010	53,996
Delinquency Prevention Program	16.540	J08-5-005	5,454
Resource Center for Suspended/Expelled Students	16.548	W08-5-001	38,089
Bulletproof Vest	16.607		34,173
Total United States Department of Justice			<u>736,018</u>
<u>UNITED STATES DEPARTMENT OF HOMELAND SECURITY</u>			
Passed through Louisiana Governor's Office of Homeland Security			
and Emergency Preparedness			
Federal Emergency Management Agency- Gustav	97.036	GV03485/GV03484/GV0348	255,773
State Homeland Security Grant Program- FY-08	97.067	2008GET80013	25,141
Louisiana Electronic and Financial Crimes Task Force	None	None	8,000
Total United States Department of Homeland Security			<u>288,914</u>
<u>UNITED STATES DEPARTMENT OF TRANSPORTATION</u>			
Passed Through Louisiana Highway Safety Commission			
Police Traffic Services	20.600	PT 2009-62-00-00	10,094
Total United States Department of Transportation			<u>10,094</u>
Total Federal Assistance Expended			<u>\$ 1,035,026</u>

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Tangipahoa Parish Sheriff's Office and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

TANGIPAHOA PARISH SHERIFF
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2009

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expressed an unqualified opinion on the financial statements of the Tangipahoa Parish Sheriff.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Tangipahoa Parish Sheriff were disclosed during the audit.
4. No significant deficiencies are disclosed during the audit of internal control over major federal award programs.
5. The auditor's report on compliance for the major federal award programs for Tangipahoa Parish Sheriff expresses an unqualified opinion on all major federal programs.
6. No audit findings were disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133.
7. The programs tested as major program included: Department of Justice- COPS Methamphetamine Initiative (CFDA #16.710) and United States Department of Homeland Security- Federal Emergency Management Agency (CFDA # 97.036).
8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. Tangipahoa Parish Sheriff did not qualify as a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

1. None

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

1. None

TANGIPAHOA PARISH SHERIFF
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
June 30, 2009

- A. FINDINGS – FINANCIAL STATEMENT AUDIT
 - 1. None